



## Market Overview

- Chilean annual per capita consumption of cosmetics is \$44, and is expected to reach \$50 by the end of 2005.
- According to the Chilean Cosmetics Chamber, total cosmetics sales for 2004 reached \$900 million, a 2.7% increase over 2003.
- 2004 Chilean Cosmetics Import Market Share: Argentina 25.1%, U.S. 16.3%, France 12.9%, and Brazil 12.8%.
- Cosmetics distribution in Chile is done through supermarkets, department stores, pharmacy chains, cosmetics stores, and direct sales.
- Registration is required for all products for human use/consumption sold in Chile. This process must be handled by companies – local or foreign – legally established in Chile.

## Cosmetics Statistical Data

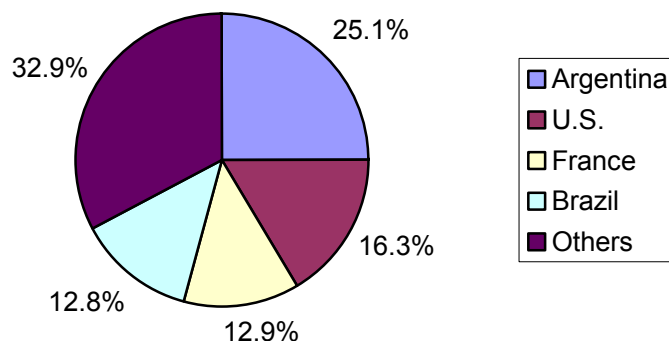
(Figures in U.S. millions of dollars)

	2003	2004	2005*
Total Market Size	873.0	900.0	954.0
Local Production	763.9	787.5	810.9
Exports	58.2	66.7	75.0
Imports	118.7	168.3	195.9
Imports from the U.S.	20.3	27.4	30.7

(\*) U.S. Commercial Service projections based on information from importers.

## Some Importers / Brands

- L' Oreal Chile S.A.: Lancome, Cacharel, Helena Rubinstein, Biotherm, Vichy, Maybelline, Elseve, Armani, Ralph Lauren.
- Unilever Chile S.A.: Rexona, Sedal, Axe, Impulse.
- Colgate Palmolive Chile S.A.: Mennem, Colgate, Palmolive.
- Cela Cosméticos S.A.: Clinique, Estee Lauder, Aramis, Tommy Hilfiger.
- Tais Parfums S.A.: Dior, Dolce & Gabbana, Gianfranco Ferre, Azzaro, Guerlain, Clarins.
- Laboratorio Arbeau Ltda.: Elizabeth Arden, Calvin Klein.
- Distribuidora Puig Chile Ltda.: Agua Brava, Vetiver, Quórum.
- Key Company S.A.: Alberto VO5, St. Ives.
- Johnson & Johnson Personal CH: Neutrogena.



Source: Incomex Chile and the U.S. Department of Commerce

We hope you find this information useful. If you would like further information, please contact [Veronica.Pinto@mail.doc.gov](mailto:Veronica.Pinto@mail.doc.gov), the CS Santiago Cosmetics Specialist. Visit our website at [www.buyusa.gov/chile](http://www.buyusa.gov/chile) to discover other commercial opportunities in Chile.

## Market Trends

Cosmetics demand is expected to increase in the medium and long term due to various factors:

- Increase in the number of women in the labor force.
- Increase in the average age of the population that favors a higher demand for skin aging treatments.
- Growing sophistication of the end user due to globalization.
- Competition between local supermarkets, department stores, and pharmacy chains increase the need to find new strategies and products to maintain/increase market share.
- The debut in the Chilean market of cosmetics franchises such as H2O (U.S.) and L'Occitane (France) – a new line of distribution – tempt consumers to try attractive new products.
- In the baby care segment, a variety of interesting new products such as disposable wet towels, and special sun blocks aimed at growing Chilean awareness of danger of U.V. radiation.
- Increase in the awareness of the importance of dental care draws a higher demand for these products as well.

## End Users

- The Chilean population may be divided in three segments for the cosmetics industry: a) selective (10%), b) semi-selective (20%), massive (52%). The rest of the population's income is too low to influence the market.
- Principal suppliers of products for the selective segment are: France, U.S., Germany, Spain and Italy.
- Local end users consume a wide range of products from this industry; from cleansing products, deodorants, hair care products, and skin care products to perfumes, high end cosmetics, and anti-aging treatments.



## Market Access / Entry

- Cosmetics products are distributed in the Chilean market through supermarkets (36% share, mostly Jumbo and Lider, main distribution channel for the massive market), department stores (21% share, Falabella, Ripley, and Almacenes Paris), pharmacy chains (25% share, Farmacias Ahumada, SalcoBrand, CruzVerde), and direct sales (18%) still present in this market with companies such as Avon, Oriflame, and Ebel.
- According to Chilean legislation, the Institute of Public Health (ISP) is the health authority in charge of registration for pharmaceuticals, homeopathic products, natural preparations with therapeutic properties, cosmetics, and pesticides for home and sanitary use. This registration process must be handled by - local or foreign companies - legally established in Chile.
- New local cosmetics regulations in place since June 30, 2004, establishes that it costs \$420 and takes ten days to register a product for a five year period. Renewal of registration for an additional five years costs \$180.

## Key Contacts

- CS Santiago: [Veronica.Pinto@mail.doc.gov](mailto:Veronica.Pinto@mail.doc.gov)
- USDOC ITA Chile Desk Officer: [Sara\\_McDowell@ita.doc.gov](mailto:Sara_McDowell@ita.doc.gov)
- Instituto de Salud Publica, ISP (Institute of Public Health)  
Av. Marathon 100, Santiago, Chile  
Website: [www.ispch.cl](http://www.ispch.cl)
- Camara de la Industria Cosmetica de Chile (Chilean Cosmetics Chamber)  
Av. Kennedy 5757, Of. 609, Santiago, Chile  
Website: [www.camaracosmetica.cl](http://www.camaracosmetica.cl)

